Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of	)	
	)	
Connect America Fund	)	WC Docket No. 10-90
	)	
A National Broadband Plan for our Future	)	GN Docket No. 09-51
	)	
Establishing Just and Reasonable Rates for Local Exchange Carriers	)	WC Docket No 07-135
	)	
High-Cost Universal Service Support	)	WC Docket No. 05-337
	)	
Developing an Unified Intercarrier Compensation Regime	)	CC Docket No, 01-92
	)	
Federal-State Joint Board on Universal Service	)	CC Docket No. 96-45
	)	
Lifeline and Link-Up	)	WC Docket No. 03-109
	)	
Universal Service Reform – Mobility Fund	)	WT Docket No. 10-208

OPPOSITION OF SPRINT CORPORATION

Sprint Corporation ("Sprint"), pursuant to the Public Notice released on April 24, 2017, (DA 17-388), hereby respectfully submits its opposition to the "Petition for Limited Stay of Transformation Order Years 6 and 7 ICC Transition – As It Impacts a Subset of Tandem Switching and Transport Charges" ("Petition"), filed on April 11, 2017, by CenturyLink in the above-captioned proceedings. CenturyLink's Petition should be rejected because it is contrary to the public interest and is an untimely petition for reconsideration of an order adopted in 2011. Nonetheless, Sprint does not object to

the expeditious issuance of guidance by the Commission regarding application of the tandem switching and transport transition rules, as discussed below.

In its petition, CenturyLink seeks a stay of the Years 6 and 7 transitions of tandem switching and transport charges to $.0007 as of July 1, 2017, and to bill-and-keep as of July 1, 2018. The relevant rules, Sections 51.907(g) and (h), mandate application of the transitional rate ($.0007 or zero, depending on the date) to "terminating traffic traversing a tandem switch that the terminating carrier or its affiliates owns." CenturyLink claims that because it does not know what entity should be considered an affiliate, implementation of these last two steps of the transition to bill-and-keep will somehow result in "a confusing morass."[1]

Sprint does not understand why this alleged confusion has suddenly arisen some 6 years after the intercarrier compensation transition plan was adopted.[2] The Year 6/7 transition rules have been in effect and known to the entire industry since 2011. To request a stay of these rules at this very late date is a transparent and untimely effort to reconsider and re-litigate issues resolved long ago. The reform of inter-carrier compensation was hotly contested over several years and the resulting decision by the Commission reflected a complex set of compromises and policy decisions that should not be undone at this late date. The Commission should reject CenturyLink's petition for stay.

A stay of the tandem switching and transport transition rules is also contrary to the public interest. The Commission has found that bill-and-keep "will eliminate competitive distortions between wireline and wireless services; and best promotes our

[1] Petition, p. 2.
[2] *Connect America Fund, et al*., 26 FCC Rcd 17663 (2011) ("*ICC Reform Order*").

overall goals of modernizing our rules and facilitating the transition to IP."[3] Grant of CenturyLink's request for an open-ended stay would only delay the already long-overdue benefits associated with a bill-and-keep regime.

Ironically, CenturyLink urges the Commission to grant its petition in order to help create "a competitive market where all providers can compete under the same rules with a minimum [of] arbitrage and administrative inefficiency."[4] Sprint would note that the access market is not, and has never been, competitive, nor have all providers been permitted to operate under the same rules – CMRS carriers, which are routinely assessed terminating access charges, have not been allowed to impose access charges for performing the same terminating services as are provided by price cap LECs unless the customer agrees to be assessed such charges (a situation which, insofar as Sprint is aware, has never occurred). Grant of CenturyLink's request for stay would merely prolong a competitive disparity which has long disadvantaged CMRS carriers.

Although CenturyLink's requested stay is both untimely and contrary to the public interest, Sprint would not oppose the expeditious issuance of guidance by the Commission regarding implementation of Sections 51.907(g) and (h) of the rules consistent with the comments below. Such guidance would fully address CenturyLink's concerns and can be issued without the need for a stay.

First, the Commission should remind all parties of the definition of "affiliate" included in Section 3 of the Telecommunications Act (47 U.S.C. §153(1)). For purposes of the Act, an affiliate is

> a person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person. For the

[3] See *ICC Reform Order*, para. 33.
[4] Petition, p. 3.

> purposes of this paragraph, the term "own" means to own an equity interest (or the equivalent thereof) of more than 10 percent.

This "10% rule" can and should be used for purposes of implementing the Year 6/7 tandem switching and transport transition rules. Thus, if the CMRS carrier, CLEC or other entity that owns the end office shares 10% or more corporate parentage with the price cap carrier that owns the tandem, then the entities are affiliates, and the Year 6/7 transitional tandem switching and transport rates apply.[5]

Second, the Commission should emphasize that an affiliate can include any type of entity that owns the subtending end office, including an ILEC, a CLEC, a wireless carrier, or a cable company. Price cap carriers and their end office affiliates may not manipulate the tandem switching and transport rules by claiming that affiliates only include a certain type of entity. For example, AT&T must assess the transitional rates on traffic routed through its access tandem and terminating to an AT&T Wireless customer – it could not claim that the transitional rates do not apply because the subtending end office is owned by its wireless affiliate and not by its wireline affiliate.

Third, to avoid confusion as to which access tandem-end office combinations involve affiliates, Sprint suggests that each price cap carrier provide a list of its affiliated tandem/end office combinations to a neutral entity (*e.g.*, ATIS), and that a nationwide list or database containing this information be made publicly available. Making this information available to access customers and other interested parties will reduce disputes about when the transitional tandem switching and transport rates apply.

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[5] Sections 51.907(g) and (h) apply to price cap carriers and their affiliates and the rates they must charge in affiliate situations. Nothing in these rules may be construed to require the routing of traffic to specific access tandems or to require direct connections with an end office.

Respectfully submitted,

SPRINT CORPORATION

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